



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/796,960	03/11/2004	Ziva Listenberg	3083/2	4002

7590 09/08/2005

DR. MARK FRIEDMAN LTD.

C/o Bill Polkinghorn

Discovery Dispatch

9003 Florin Way

Upper Marlboro, MD 20772

EXAMINER

SMITH, JEFFREY A

ART UNIT

PAPER NUMBER

3625

DATE MAILED: 09/08/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

He

Office Action Summary

Application No.

10/796,960

Applicant(s)

LISTENBERG, ZIVA

Examiner

Jeffrey A. Smith

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-15 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-15 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 11 March 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 1/31/05.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: ____.

Art Unit: 3625

DETAILED ACTION

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 13-15 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful

Art Unit: 3625

arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970).

Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673

Art Unit: 3625

(1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.*

Art Unit: 3625

at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, these claims fail to recite the specific and non-trivial application of technology in the body

Art Unit: 3625

of the claims. The application of a bar code scanner is noted in claim 14, however, the collection of data (i.e. purchase codes) is considered a trivial application of technology.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1, 3, 4, and 7-9 are rejected under 35 U.S.C. 102(b) as being anticipated by Schlamp (U.S. Patent No. 5,431,250).

Schlamp discloses a shopping system and method for consumable items ("food stuffs": col. 4, lines 3-8).

The system comprises, *inter alia*, at least one display module (12) including a plurality of display items (14: col. 1, lines 36-45 and col. 2, lines 45-48); a customer-operated shopping list assembly system or information storage device (13: col. 2, lines 48-58); a service point (11: col. 2, line 59-col. 3, line 9); and a warehouse and packing facility (3).

Art Unit: 3625

information

9/15/05
The ~~formation~~ storage device includes a wireless mechanism (col. 5, lines 3-7) and a bar code scanner (col. 2, lines 48-59).

The functional recitations "receives said shopping list with delivery instructions from said customer" (claim 1) and "for giving said shopping lists with delivery instructions to a service point" have been considered. Such recitations do not move to further structurally distinguish the system of the instant invention from the system of Schlamp. Moreover, the system of Schlamp is reasonably capable of performing these functions in light of the fact that a customer must identify which of the actual product storage areas he is to take delivery of his purchases (see col. 1, lines 36-45). That is because his car is located at the periphery of a city at a special park and ride center adjacent one of the storage areas and the system requires that this location be made known in order to assemble the products at the correct storage area.

Claims 10-12 are rejected under 35 U.S.C. 102(b) as being anticipated by Rosenberg (U.S. Patent No. 5,933,814).

Rosenberg discloses a display module (R) comprising a plurality of display items (1: col. 3, lines 56-63); a security

Art Unit: 3625

mechanism including a wire (col. 3, lines 63-65); and at least one display screen (31).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Schlamp (U.S. Patent No. 5,431,250).

Schlamp does not disclose the specific dimensions of the display module.

The Examiner notes, however, that Schlamp teaches that "storage space and sales space are in short supply and are expensive" (col. 1, lines 14-17). Schlamp solves this problem by providing "specimens of products" at a sample shop (1) while storing the actual inventory at products storage areas (col. 2, lines 13-19). Accordingly, the space required at the sample shop for display of the specimens is greatly reduced and would

Art Unit: 3625

require a display module of a size which accommodates as few as one specimen for each product.

It would have been obvious for one of ordinary skill in the art to have provided a display module having a horizontal depth of less than 50cm. Such range would have allowed for the display of specimens of the type disclosed by Schlamp (e.g. food stuffs) while minimizing the space required for such display. The skilled artisan would have optimized such value so as to either reduce the total square footage required for a given number of specimens for display or so as to display more specimens per square foot. Such optimization is well within the level of skill in the art given Schlamp's concern for reducing over-all costs per unit area of space (col. 1, lines 9-17; and col. 2, lines 13-19).

Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Schlamp (U.S. Patent No. 5,431,250) in view of Byrley (U.S. Patent No. 4,735,290).

Schlamp does not disclose that said display item is an original package with at least a portion of the contents removed.

Byrley, however, in a similar system (col. 2, lines 33-51), teaches that it is common practice to provide a customer access

Art Unit: 3625

only to an empty product package. The content package identifies a product desired for purchase. See col. 1, lines 8-34.

It would have been obvious to one of ordinary skill in the art to have provided the system of Schlamp to have included an original package with at least a portion of the contents removed in order to have discouraged pilferage of the sample article.

Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Schlamp (U.S. Patent No. 5,431,250) in view of Official Notice.

The Examiner notes that the cash register of Schlamp is located at a resource area for providing services to the customer (see Fig. 1). Schlamp, however, does not disclose at least one booth for providing a service of a type selected from the group consisting of product promotion and recreation for said customer.

The Examiner takes Official Notice that it is notoriously well-known for shopping systems to offer booths which offer customers both product promotions (e.g. sample items) and recreation (e.g. a facial). Such known systems do so for the purposes of exposing customers to various products or product benefits they may not have purchase or experienced before, but

Art Unit: 3625

may enjoy. Such offers serve as enticements which are designed to persuade a prospective customer to purchase certain products.

It would have been obvious to one of ordinary skill in the art to have provided the system of Schlamp to have further included at least one booth of the type recited in order to promote certain products by persuading a potential customer to purchase such products.

Claims 13 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Schlamp (U.S. Patent No. 5,431,250) in view of Tracy et al. (U.S. Patent No. 5,979,757).

Schlamp discloses a method for selling consumable items substantially as recited.

Schlamp does not disclose receiving delivery instructions from a customer and transferring instructions to a warehouse and packing facility.

Tracy et al., in a similar method (col. 7, line 62-col. 8, line 10), discloses that a customer includes a delivery time and location (col. 15, lines 56-59).

It would have been obvious to one of ordinary skill in the art to have provided the method of Schlamp to have included the steps of receiving delivery instructions from a customer, and transferring said instructions to the warehouse and packing

Art Unit: 3625

facility of Schlamp in order to have satisfied the delivery request of the customer in an efficient manner (col. 15, lines 56-59).

Claim 15 is rejected under 35 U.S.C. 103(a) as being unpatentable over Schlamp (U.S. Patent No. 5,431,250) and Tracy et al. (U.S. Patent No. 5,979,757), as applied to claim 13, and further in view of Official Notice.

The combination of Schlamp and Tracy et al. does not teach the steps recited here.

However, the Examiner takes Official Notice that it is notoriously well-known in many methods for selling to include steps of receiving a new variety of consumable items.

In the Schlamp/Tracy et al. paradigm, for example, certain produce may "come into season" which would have been stored at the Schlamp warehouse. Appropriately, the display items representing the new produce would have been updated so that customers are apprised of its availability.

It would have been obvious to one of ordinary skill in the art to have provided the Schlamp/Tracy et al. method to have further included these steps in order that inventory may be kept dynamic (based upon availability of certain products, for

Art Unit: 3625

example) and that the demands of the customers (seasonal demands for produce, for example) may be met.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Bradley (U.S. Patent No. 3,326,325); Stiller (U.S. Patent No. 3,023,851); Blake (U.S. Patent No. 3,532,184); and Dunphy (U.S. Patent No. 3,920,100) all disclose systems and methods employing display items which are not themselves available for purchase.

Surman (U.S. Patent No. 3,695,452) discloses a theft-deterrent merchandising display apparatus (Fig. 1).

Mueller (U.S. Patent No. 4,236,769) discloses an empty package for display and advertising purposes (col. 3, lines 40-43).

Saurin (FR 2,324,080 A) discloses a display system for the presentation of "dummy tins" of real goods.

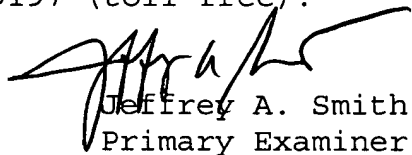
Campbell, Genie: "Lands' End 'inlet' combines store, catalog and service shop"; Wisconsin State Journal; Mar. 02, 1997; pg. B1 reports on the "catalog-in-a-store" concept which allows a customer to view samples and to place orders from the store.

Art Unit: 3625

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey A. Smith whose telephone number is (571) 272-6763. The examiner can normally be reached on M-F 6:30am-6:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on (571) 272-7159. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Jeffrey A. Smith
Primary Examiner
Art Unit 3625

jas